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FURTHER CONTINUING APPROPRIATIONS, 1986

DECEMBER 6 (legislative day, DECEMBER 2), 1985.—Ordered to be printed

Mr. HATFIELD, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H.J. Res. 465]

The Committee on Appropriations, to which was referred the joint resolution (H.J. Res. 465) making further continuing appropriations for fiscal year 1986, and for other purposes, reports the same to the Senate with various amendments and presents herewith information relative to the recommended joint resolution.

INTRODUCTION

The Committee on Appropriations reported the last of the 13 regular fiscal year 1986 appropriations bills on November 6, 1985. To date, 3 of the 13 regular bills have been enacted into law: Energy-Water Development (Public Law 99-141), Legislative Branch (Public Law 99-151), and HUD-Independent Agencies (Public Law 99-160). Conference action has been completed on five other bills: Treasury-Postal Service, Military Construction, Labor-HHS-Education, Commerce-Justice-State, and the District of Columbia.

Of the remaining five regular fiscal year 1986 appropriations bills, the Senate has passed two bills (Agriculture and Transportation) and has begun consideration of the Interior bill. The Senate has not acted on either the Foreign Assistance or Defense bills. The House of Representatives has passed all these bills, with the exception of the Foreign Assistance bill.

Funding for programs and activities covered by the 10 fiscal year 1986 regular appropriations bills not yet enacted into law is currently provided under a temporary continuing resolution (Public Law 99-154).

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Funding provided by this short-term resolution will expire on December 12, 1985. Although the Committee is committed to achieving final action on all 13 regular appropriation bills, it is clear this will not occur by December 12. Therefore, this continuing resolution provides full-year funding—through September 30, 1986—for the 10 regular bills not yet completed. Of course, upon enactment into law of any of these bills, the relevant provisions of this resolution will automatically cease to apply and the regular bill will become the funding device.

Although congressional appropriations action is not in strict adherence with the administration's priorities, the spending decisions reflected in the three regular fiscal year 1986 appropriations bills enacted into law, together with this further continuing resolution recommended by the Committee, are well within the total fiscal year 1986 appropriations level requested by the administration.

LEVELS OF FUNDING UNDER THE RESOLUTION

Section 101(a) through (j) sets forth the levels of funding recommended for each of the appropriations bills covered by this continuing resolution. The level of funding recommended for each bill is as follows, with exceptions as later specified in this report:

Agriculture, Rural Development, and Related Agencies

Section 101(a) deletes House language establishing the rate of operations as that provided in the regular fiscal year 1986 appropriations bill (H.R. 3037) as passed by the House, and instead inserts the rate provided in the bill as passed by the Senate on October 16, 1985.

Commerce, Justice, and State, the Judiciary, and Related Agencies

Section 101(b) deletes House language establishing the rate of operations as that provided in the regular fiscal year 1986 appropriations bill (H.R. 2965) as passed by the House, and instead inserts the rate of operations provided in the conference agreement as filed in the House of Representatives on December 4, 1985 (H. Rept. 99–414). The section also provides that Senate Amendment 134 shall be considered as included in the conference agreement. This amendment prohibits the use of funds appropriated to the U.S. Information Agency by any organization connected in any manner with any political party operating in the United States.

Defense

Section 101(c) deletes House language establishing the rate of operations as that provided in the regular fiscal year 1986 appropriations bill (H.R. 3629) as passed by the House, and instead inserts the rate provided in the bill as reported to the Senate on November 6, 1985.

District of Columbia

Section 101(d) deletes House language establishing the rate of operations as that provided in the regular fiscal year 1986 appropriations bill (H.R. 3067) as passed by the House, and instead inserts the rate provided in the bill as passed by the Senate on November 7, 1985.

Interior and Related Agencies

Section 101(e) deletes House language establishing the rate of operations as that provided in the regular fiscal year 1986 appropriations bill (H.R. 3011) as passed by the House, and instead inserts the rate provided in the bill as reported to the Senate on September 24, 1985.

Transportation and Related Agencies

Section 101(f) deletes House language establishing the rate of operations as that provided in the regular fiscal year 1986 appropriations bill (H.R. 3244) as passed by the House, and instead inserts the rate provided in the bill as passed by the Senate on October 23, 1985 with two exceptions. Coast Guard operating expenses is funded at $1,752,000,000 including transfers. This level, augmented by funding made available in Public Law 99–88, the fiscal year 1985 supplemental, and Public Law 99–145, the Department of Defense Authorization Act, 1986, is necessary to continue ongoing Coast Guard activities. In addition, the rate for Federal Aviation Administration operations is $2,714,400,000, the amount originally adopted by the Subcommittee on Transportation.

Labor, Health and Human Services, and Education, and Related Agencies

Section 101(g) retains House language establishing the rate of operations as that provided in the conference agreement on the regular fiscal year 1986 appropriations bill (H.R. 3424), but includes an amendment to reference changes adopted by the House on December 5, 1985.

Military Construction

Section 101(h) retains House language establishing the rate of operations as that provided in the conference agreement on the regular fiscal year 1986 appropriations bill (H.R. 3327).

Treasury, Postal Service, and General Government

Section 101(i) retains House language establishing the rate of operations as that provided in the conference agreement on the regular fiscal year 1986 appropriations bill (H.R. 3036) with the deletion of amendment 83 dealing with Office of Personnel Management regulations, and recommends a further proviso reducing appropriations provided for both the Internal Revenue Service and the Postal Service revenue forgone subsidy.

Section 101(j) deletes House language establishing the rate of operations as that provided in the regular fiscal year 1986 appropriations bill (H.R. 3228) as reported to the House with adjustments, and instead inserts the rate contained in the bill (S. 1816) as reported to the Senate on October 31, 1985, with exceptions as enumerated below. The Committee includes in its entirety, by reference, the report, Senate Report 99–167, accompanying S. 1816, with appropriate adjustments to reflect the changes and exceptions enumerated below.

In markup of the continuing resolution, the Committee deleted provisions continuing the availability of unused Export-Import Bank budget authority provided in accordance with the limitation on program activity in the fiscal year 1985 appropriations bill. Additionally, the Committee made an adjustment to S. 1816 to establish a $1,800,000,000 limitation on Export-Import Bank program activity for fiscal year 1986. Furthermore, the Committee withdrew provisions relating to the adjustment of interest rates on outstanding Foreign Military Credit Sales [FMS] loans to Israel. Finally, the Committee agreed to provide a ceiling of $375,000,000 in appropriations for the fiscal year 1986 U.S. contribution to the seventh replenishment of resources of the International Development Association. Each of the foregoing adjustments to the Senate-reported bill, S. 1816, were made in order to bring the Foreign Operations provisions in compliance with the subcommittee's 302(b) allocation under the budget resolution.

Additionally, the Committee approved a number of adjustments to bring the reported bill (S. 1816) into near conformity to the provisions of Public Law 99–83. These adjustments were taken following consultations with the Committee on Foreign Relations. The adjustments are as specifically noted below as they appear in the bill:

> $80,000,000 shall be made available for Portugal; $1,000,000 shall be made available for a program to strengthen the judicial system in Peru; up to $20,000,000 may be made available to carry out the Administration of Justice program pursuant to section 534 of the Foreign Assistance Act of 1961; not less than 35 percent of the funds allocated for the Human Rights Fund for South Africa shall be made available in accordance with section 802(d) of Public Law 99–83; $22,500,000 shall be made available for Tunisia; and $15,000,000 shall be made available for Uruguay: *Provided further,* That notwithstanding any other provision of this subsection, of the funds provided under the heading "Foreign Military Credit Sales", up to $10,000,000 may be made available for Guatemala: *Provided further,* That notwithstanding any other provision of this subsection, of the funds provided under the heading "Military Assistance", up to $10,400,000 may be made available for Zaire: *Provided further,* That notwithstanding any other provision of this subsection, of the funds made available under the heading

"International Narcotics Control", $1,000,000 shall be made available to carry out the provisions of section 607 of Public Law 99-83: *Provided further,* That notwithstanding any other provision of this subsection, of the funds made available under the paragraph "Energy and selected development activities, Development Assistance", up to $100,000 may be made available in accordance with the provisions of section 714(d) of Public Law 99-83: *Provided further,* That notwithstanding any other provision of this subsection, of the funds made available to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961, $1,000,000 shall be made available for literacy and other education programs in Haiti.

Refugee resettlements.—Additionally, the Committee reports favorably a sense of the Congress provision expressing the expectation that recipients of U.S. foreign assistance will cooperate with international refugee organizations, the United States, and other governments in expediting the resettlement of refugees. The Committee recognizes the magnitude of refugee problems worldwide and the problems faced by governments of countries which give asylum to refugees, particularly developing countries. The Committee further recognizes the generous policies of those developing countries which offer asylum, sometimes on an extended basis, to large populations of refugees who place added burdens on the asylum country's resources. The Committee commends these countries for their contributions to humanitarian assistance and their cooperation in working with the international community to find durable solutions to refugee situations, including voluntary repatriation, resettlement in the region of asylum, and resettlement to third countries. It is the intent of the Committee to underscore the need for cooperation in resettling to other countries refugees of interest to those countries, particularly that resettlement of refugees not be impeded by considerations of race, sex, religion, or national origin.

Negotiations and action regarding agreements to restrain copper production voluntarily.—The Committee directs the U.S. Trade Representative to undertake negotiations with all major copper producing countries for the purpose of obtaining restraint agreements under which the aggregate production of unwrought copper by the major copper producing countries during each 1-year period within the restraint period will not exceed the aggregate production of unwrought copper by those countries during calendar year 1982. The U.S. Trade Representative shall also undertake negotiations with all significant copper producing countries for the purpose of obtaining voluntary restraint agreements under which the aggregate production of unwrought copper by the significant copper producing countries during each 1-year period within the restraint period will not exceed the sum of the aggregate production of unwrought copper by those countries during calendar year 1984, plus the estimated growth in demand for unwrought copper for such 1-year period within the restraint period. In addition, the Trade Representative shall submit a quarterly report to the appropriate committees of the

House and Senate on the progress, obstacles, terms, conditions, responses, and assessment of the restraint agreements.

The term "major copper producing country" means any foreign country whose production of unwrought copper during 1984 exceeded 300,000 metric tons. The term "significant copper producing country" means any foreign country whose production of unwrought copper during 1984 exceeded 200,000 metric tons but did not exceed 300,000 metric tons. The term "unwrought copper" means articles provided for in items 612.02 through 612.06 of the tariff schedules of the United States. The term "restraint period" means the 5-year period beginning at the close of the agreement negotiations period.

ACTIVITIES NOT OTHERWISE INCLUDED

Section 101(k) continues several programs at the current fiscal year 1985 level.

Trade adjustment assistance

The Committee concurs with House bill language maintaining the current rate ($26,000,000) for direct services under the trade adjustment assistance programs. These services, funded through the Department of Labor, include retraining, job search, and relocation assistance. In addition, the Committee recommends $4,588,000 in a bill language proviso for State administrative expenses necessary to continue Labor Department responsibilities under the Trade Adjustment Assistance Program. Due to lack of renewed authorizing legislation for the balance of fiscal year 1986, the regular Labor-HHS-Education appropriations bill did not include funding for continuation of trade adjustment assistance activities.

Without the proviso recommended by the Committee, Trade Act administrative costs must be absorbed elsewhere in the State employment security area, and the only program of sufficient size to absorb this expense is the grants program to State agencies for administering Federal and State unemployment compensation laws. To date, these unemployment insurance base funds have been fully allocated, as they were last year when this additional requirement was imposed. Without additional funds, the Labor Department would again have to inform those States receiving trade program funds that they will not be separately reimbursed for trade administrative costs but must absorb these costs within available funds. This could prove a hardship to those States allocated a sizable level of Trade Act program resources provided in the "Training and employment services" account.

Office of Refugee Resettlement

The Committee concurs with the House recommendation of $4,000,000 for the voluntary agency matching grant program. In view of the success of the matching grant program the Committee does not concur in the administration's proposed reductions for fiscal 1986. It is the intent of the Committee that the size of the caseload participation in the program not be reduced and that the Federal match remain at its existing level of a $1,000 maximum per refugee.

Foster care

The Committee has included bill language to extend through fiscal year 1986 expiring foster care provisions under title IV–E of the Social Security Act. These provisions would allow States to continue to transfer unused foster care funds to child welfare services, and would continue to allow Federal reimbursement to States for certain children placed voluntarily in foster care for limited periods. There is no additional cost associated with these provisions; funding is already provided for these entitlement activities in the regular fiscal 1986 Labor-HHS-Education appropriations bill, H.R. 3424, which is incorporated into this joint resolution under section 101(g). Similar provisions were also contained in last year's continuing resolution (Public Law 98–473).

Corporation for Public Broadcasting

The Committee has deleted a House provision which would have reduced the fiscal year 1987 funding for the Corporation for Public Broadcasting [CPB] from $214,000,000 to $200,000,000. The conference report on H.R. 3424, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1986, provides funding for CPB at the higher level, thus making the House provision in H.J. Res. 465 unnecessary.

OTHER PROVISIONS OF THE RESOLUTION

Agriculture, Rural Development, and Related Agencies

AGRICULTURAL SUPPORT PROGRAMS

The Committee recommends striking section 105 of the House joint resolution. This provision relates directly to price support loans and income support for farmers by mandating (a) that the Secretary provide nonrecourse loans that reflect a fair return above the cost of production and (b) that the cost of commodities resulting from such loan levels be borne by the purchaser rather than by appropriation. The provision would also require export subsidies and mandatory production controls.

The issues of price and income supports, export enhancement, and production controls have been addressed by both Houses of Congress in comprehensive authorizing legislation. The Committee feels that an appropriations bill—especially a continuing resolution—is not the proper vehicle for legislation of such potentially expansive impact.

IMPACT OF EMBARGOES

The Committee also recommends striking section 106 of the House joint resolution. This section would require the Secretary of Agriculture to determine the losses incurred by individual farmers due to export embargoes and suspensions which were implemented as part of U.S. foreign policy in 1973, 1974, 1975, and 1980. In addition, this section would require the Secretary to determine which borrowers are unable to continue making payments of principal and interest due to these em-

bargoes or the failure to sell competitively in world trade. Upon such determination, the Secretary would be required to suspend the payment of principal and interest, and forego foreclosure of loans owed to the Federal Government for 12 months or until an adjustment is agreed upon. Other creditors would then be requested by the Secretary to postpone payments due on the same basis.

As stated in the House joint resolution, Congress funded a study in the fiscal year 1985 supplemental appropriations bill (Public Law 99–88) to determine the impact of embargoes on individual farmers. This study has not yet been completed, but preliminary indications are that it would be virtually impossible to establish the amount of such losses for individual farms on a case-by-case basis.

The Committee believes that any action of the nature dictated in the House joint resolution is premature and that no action should be taken prior to the completion of the congressionally mandated study and hearings to determine the validity and possible implementation procedures regarding this proposal.

COOPERATIVE STATE RESEARCH SERVICE

RUIDOSO AIRPORT RELOCATION

The fiscal year 1985 regular supplemental appropriations bill (Public Law 99–88) included a provision which transferred land from the Bureau of Land Management to the Sierra Blanca Airport Commission for the necessary relocation of the airport serving Ruidoso, NM. In that provision, there was an erroneous portion of the land description, and the Committee recommends a technical amendment to correct that error.

SOIL CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

EMERGENCY WATERSHED PROTECTION MEASURES

The Committee recommends an additional appropriation of $40,000,000 for emergency assistance needed to repair watersheds that were damaged by Hurricane Juan and torrential rains occurring in late October and early November 1985. All available funds carried forward from previous years and funds provided in the fiscal year 1986 continuing resolution for emergency assistance have been committed. On November 14, an additional $10,000,000 was made available from other regular construction funds to meet immediate threats.

The Committee believes that there is an urgent need for supplemental funds and that these funds should be used to (a) continue to remove debris from drains, streams, and structure openings to prevent further devastating floods and the resulting hazards to life and property; (b) restore the $5,000,000 emergency contingency fund; and (c) restore the $10,000,000 operating funds that have been redirected to provide immediate emergency assistance.

FARM CREDIT ADMINISTRATION

LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES

The Committee recommends an increase of $9,549,000 in the limitation on the revolving fund for administrative expenses of the Farm Credit Administration [FCA]. Although an official budget request has not yet been received, FCA has submitted a request to the Office of Management and Budget [OMB] for this amount. This amount is to be available in addition to the $21,175,000 included in both the House and Senate versions of the Agriculture Appropriations bill (H.R. 3037).

The Farm Credit Administration is the independent Federal agency responsible for the regulation, supervision, and examination of the borrower-owned banks and associations which comprise the cooperative Farm Credit System [FCS]. All of the program and personnel expenses of the FCA are paid by assessments collected from the banks of the system.

The FCA is now proposing to reclaim many supervisory functions it has previously delegated to units within the FCS. Historically, the FCA has delegated its credit examination responsibility for Federal land bank associations to their lenders, the Federal land banks. Similarly, it has delegated its credit examination responsibility for production credit associations to their lenders, the Federal intermediate credit banks. These delegations of responsibility were initiated due to a shortage of FCA staff and in order to prevent duplication in effort. FCA has, however, performed a limited number of credit examinations to determine the quality of the lenders' review and supervisory programs.

Deterioration in the stability of the FCS is now a widely known fact. As credit conditions and loan quality have deteriorated, the examinations performed by the banks have proven to be unreliable. Therefore, the FCA is reclaiming its responsibilities not only for credit examinations, but also for supervising the individual associations to ensure their safety and soundness and their compliance with applicable laws and regulations. FCA has the authority under current law to reassume these credit review functions.

The expanded credit examination duties will require an additional 125 full-time permanent personnel in fiscal year 1986. Additional personnel will be required in fiscal year 1987. Because personnel and other administrative expenses are funded through assessments on Farm Credit System banks, the Committee's action increases the limitation on FCA's use of its revolving fund for administrative expenses, but it will not require the expenditure of Federal funds.

FOOD SAFETY AND INSPECTION SERVICE

The Committee has learned that the Administrator of the Food Safety and Inspection Service [FSIS] has found it necessary to establish a policy for reallocating existing agency resources due to its current budget situation.

In administering inspection programs mandated by the Federal Meat Inspection Act and the Poultry Products Inspection Act, the Administrator is expected by the Committee to take whatever action is necessary to ensure that requests for inspection service required by law are promptly accommodated. On-site inspection activities should receive priority over some other agency functions.

CITRUS CANKER ERADICATION PROGRAM

Federal participation in the citrus canker eradication program has significantly contributed to the success of the program; however, the Committee is aware that some recent reimbursement applications and payments to citrus nurserymen and growers in Florida have not been forthcoming under the program. The Committee believes that Federal participation should continue and that timely payment for burned or otherwise destroyed citrus trees is essential to the success of the eradication program. Accordingly, the Committee directs the Secretary to use CCC borrowing authority to make timely reimbursement payment to those nurseries or groves identified as having citrus canker on or before September 30, 1985. This is consistent with fiscal years 1984 and 1985 policy. For those groves or nurseries found to have the canker after September 30, 1985, the Committee also expects the Department to make applications available and to make reimbursement as expeditiously as possible.

COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES

ECONOMIC DEVELOPMENT ADMINISTRATION

The Committee provides for the use of undisbursed funds previously appropriated for New York City under the authority of the Local Public Works Capital Development and Investment Act of 1976.

DEPARTMENT OF JUSTICE, CRIMINAL CODE AMENDMENTS

The Committee recommends language provisions that would amend the Comprehensive Crime Control Act of 1984. These provisions would (1) impose a minimum mandatory 5-year prison sentence on criminals who carry firearms during the commission of serious drug offenses and (2) allow the deputizing of local law enforcement officers for Federal investigations. These provisions are part of a technical corrections package to the Comprehensive Crime Control Act. However, since these two provisions are vital for law enforcement, the Committee recommends their immediate passage. Their inclusion in this bill has the support of the chairman and the ranking minority member of the authorizing committee.

COMMISSION ON THE BICENTENNIAL OF THE CONSTITUTION

The Committee is recommending $20,000,000 for the Commission on the Bicentennial of the U.S. Constitution, authorized by Public Law 98–101, to be used to promote and coordinate activities to commemorate the bicentennial of the Constitution. Specifically, the Commission is to plan and develop activities, encourage participation by private organizations and State and local governments, assist the States in developing activities, coordinate activities throughout the States, and serve as a clearinghouse for the collection and dissemination of information about bicentennial events and plans.

SMALL BUSINESS ADMINISTRATION

The demand on the disaster loan fund of the Small Business Administration will be higher than anticipated in fiscal year 1986 due to the number of hurricanes in the summer and fall of 1985. Although sufficient funds exist to meet this demand, additional resources will be needed in the salaries and expenses appropriation for disaster loan making and loan servicing. Therefore, the Committee is recommending a transfer of $10,000,000 from the disaster loan fund to the salaries and expenses appropriation.

DEFENSE

MILITARY RETIREMENT

The fiscal year 1986 Defense Authorization Act established ceilings on each of the military personnel appropriation accounts which anticipated savings based on enactment of legislation reforming the military retirement system. This legislation would affect entrants into military service beginning in the current fiscal year. As required by the authorization act, the Department of Defense has submitted proposed retirement reform legislation which is currently under consideration by the Armed Services Committees. The Senate-reported 1986 Defense appropriations bill took the authorized $2,900,000,000 reduction for anticipated retirement savings. The House took a similar reduction.

Supplementing the Committee's statement in its report on the Defense appropriations bill (S. Rept. 99–176), the Committee recommends a new provision in order to allay concerns about the outlay impact of delays in enacting retirement reform legislation. This provision requires the Secretary of Defense, beginning on May 1, 1986, to reduce the rate of obligations from the individual military personnel accounts to insure that none will exceed the amount appropriated for fiscal year 1986. Without any change in current law, this action would require severe reductions in military personnel.

CONTRACTED ADVISORY AND ASSISTANCE SERVICES

The Committee has approved a provision that limits certain expenditures for consultants and related services to a level not to exceed the amount that was spent on such services by the Department of Defense in fiscal year 1985. The Committee is aware of the problems that exist in the Department's budget and accounting systems and that result in an inability to budget for and track the expenditures for such services accurately. New systems are being put in place in an effort to remedy this difficulty, and until the Department is better able to account for such expenditures, the Committee believes that the requested 7-percent increase should be denied. The Department, however, may exceed this limitation if the Secretary of Defense certifies additional funding is required to meet unforeseen and critical requirements.

YUMA PROVING GROUNDS

Supplementing the Committee's statement in its report on the Defense appropriations bill (S. Rept. 99–176), the Committee believes the Army may move forward with the contract support functions at the Yuma Proving Grounds rather than recompeting the solicitation, provided that every effort be made to assure that current employees at Yuma continue to retain employment at this facility, either with the winning contractor or through priority placement with the Government at the Yuma Proving Grounds.

The Committee further believes the Department of Defense should attempt to follow the above guidance on retention of current employees for all contracted-out base support initiatives.

NAVY EMERGENCIES AND EXTRAORDINARY EXPENSES

The Committee recommends a provision to raise the limitation on Navy emergencies and extraordinary expenses by $708,000. This provision corrects an error in the Senate-reported version of the Defense appropriations bill (S. Rept. 99–176) which did not reflect the adjustment addressed in the report.

ENVIRONMENTAL PROJECTS PROGRAM

The Committee recommends an additional $400,000 for the Environmental Projects Program in fiscal year 1986. The recommended funding in the Army National Guard "Operation and maintenance" account will allow the pilot program to continue at the same level provided in fiscal year 1985. No funds were requested for this congressionally initiated program because completion of the test in October 1985 followed the submission of the budget request.

The Environmental Projects Program enables National Guard units in Alaska, Oregon, Hawaii, and Idaho to conduct military training engineering projects coordinated with State and other Federal agencies in national parks and forests. The projects must enhance military training and must neither compete with private interests nor detract from the primary combat readiness mission of the units.

The Committee recently received preliminary indications from the National Guard of the complete success of the test program and believes it should continue in fiscal year 1986. Further, the Committee directs the Army National Guard to include funding in its fiscal year 1987 budget request for this program if it supports any continuation or expansion of this effort.

COMPLEMENTARY EXPENDABLE LAUNCH VEHICLE

During consideration of the fiscal year 1986 Department of Defense Appropriation Act the Committee deleted funding for the procurement of a complementary expendable launch vehicle [CELV] under missile procurement, Air Force. This action was taken because of continuing questions over the wisdom of proceeding with the Titan 34D7 launch system selected by the DOD to fulfill this important mission.

Since that action was taken, the Committee carefully reviewed the justifications submitted by the Air Force for its selection. The Committee also reassessed the available alternatives in terms of when such systems could be initially available and tradeoffs between cost and additional capability, especially with respect to growth potential.

It is the Committee's judgment that the relatively narrow but critical mission addressed by the CELV can best be met at this time with the current procurement plan of the Titan 34D7. Accordingly, the Committee recommends deleting the funding prohibition and restoring an allowance of $126,894,000 for Titan 34D7 procurement, of which $46,894,000 is for advance procurement. This allowance increases the appropriation for missile procurement, Air Force, to $8,770,831,000, with Titan 34D7 funding subject to the following conditions:

First, application of these funds must be in a full funding concept unless Congress specifically approves a multiyear procurement program for a 10-missile buy.

Second, the DOD will provide a plan for the use of the 10 CELV's that will (a) extend the utilization of these vehicles beyond the 1993 period, unless a contingency need arises, (b) maintain a warm production line for the maximum period that is economically feasible, and (c) maintain ground crew utilization and readiness with surge capability. This plan will be submitted to Congress by March 1, 1986.

Third, the Department shall leave open all options for follow-on development and procurement of both intermediate and longer-term launch capability, including a possible fifth orbiter, enhanced space shuttle main engine, shuttle derived expendable launch vehicles, and new heavy-lift launch technology (to be identified and considered following completion of joint NASA-DOD studies next year).

In connection with its recommendations on CELV procurement in the regular fiscal year 1986 Department of Defense appropriation bill the Committee expressed reservations over the use of another expendable launch vehicle, the Titan II. Funds for development of this smaller

refurbished launch system are provided under the terms of this continuing resolution. The Committee believes that the 13 satellites proposed to be launched by the Titan II will not adversely impact on the efficient utilization of the significant investment in space shuttle capability at Vandenburg Air Force Base.

C-21A AIRCRAFT

The Committee notes that there is growing concern within the Air National Guard over the need to replace the aging T-39 operational support aircraft fleet with new, purchased C-21A aircraft, particularly at Andrews Air Force Base Guard Headquarters. Specifically, there is a present need for the purchase of four C-21A operational support aircraft. Although the Committee has neither added nor earmarked new funding for this procurement, the Committee has no objection to the Air National Guard using funds within the "National Guard and Reserve equipment" account for this purpose in fiscal year 1986 if the Air National Guard determines this procurement will enhance its ongoing mission.

DEMILITARIZATION CONCEPTS—CRYOFRACTURE

The Army recently terminated its research into cryofracture technology for the destruction of chemical munitions and stockpiles based on the rationale that this technology could not be available to support the congressionally mandated 1994 completion date for destruction of the existing chemical stockpile.

The Committee notes that the 1994 target date is contingent on production of binary chemical weapons. That production is currently not guaranteed and the schedule is highly success oriented.

The Committee agrees that the continued development of cryofracture technology is required to insure that an alternative destruction method is available should problems arise in applying the current demiliterization methods. Furthermore, this technology has the potential of significantly reducing the 10-year, $1,500,000,000 program cost. Accordingly, the Department is directed to resume its cryofracture technology program out of appropriate Army R&D funds.

NEUROTOXIN DETECTION RESEARCH

The Committee encourages the Army to give consideration to a $2,000,000 project specifically related to research aimed at enhanced detection of toxic substances in the environment, evaluation of the effects of toxic substances on neurological processes, and design of biological and chemical procedures for the production of individuals exposed to these substances. The Air Force should utilize university research resources such as the University of Kansas National and International Resource Center in Environmental Health.

LIGHT HELICOPTER PROGRAM [LHX]

The Army is developing a light helicopter, known as LHX, to replace its aging fleet of 7,300 light helicopters, mainly UH/AH–1 and OH–58 aircraft, which constitute 85 percent of the entire Army helicopter force and which have an average age in excess of 15 years. In 1990, those helicopters will have an average age exceeding 20 years.

With the vast majority of the Army helicopter force approaching the end of its service life by 1995, the Committee does not question the need for a new, light helicopter, beginning in the 1990's. What concerns the Committee is that the cost of LHX could be underestimated—possibly by 25 percent or more, according to preliminary Defense Department estimates, and the program is still 5 years away from production. If the $5,300,000 unit cost goal were breached, then LHX would cease to be competitive with available alternatives, and more importantly the Army would be forced to reduce the quantity of aircraft to be procured and as a result would have to reduce the size of its helicopter force in future years.

For these reasons, the Committee is imposing limitations on the use of the funding provided for the LHX Program.

Of the $106,319,000 recommended for the LHX Program, $15,000,000 may not be obligated until the Secretary of Defense submits a report to the Committee certifying the accuracy of Army LHX cost estimates. That report shall be based on an independent assessment of Army cost estimates for LHX as well as for potential alternative programs, including those based on advanced technologies and commercial derivative aircraft. The independent cost analysis shall be conducted within the Office of the Secretary of Defense in accordance with legislative and departmental procedures governing major acquisition programs and shall include a validation of the following goals: (a) That the LHX helicopter can be procured for an average unit flyaway cost not to exceed $5,300,000 in fiscal year 1984 dollars; and (b) that operation and support [O&S] costs of the LHX fleet will be 30 to 40 percent lower than the O&S costs of the helicopter fleet it will replace.

If the Secretary of Defense cannot submit the required certification by August 1, 1986, the LHX Program would be terminated on that date.

The Army should determine how to apply the restrictions on obligations to the program elements through which the LHX is funded.

The Committee intends that the language contained under this heading shall modify language contained on page 240 of Senate Report 99–176.

SDI CONTRACTING POLICY

The Committee takes note of administration efforts to encourage participation in the Strategic Defense Initiative by our NATO allies, both governments, and business concerns. While there is a spectrum of opinion on the Committee concerning the desirability of the current pace and scope of the SDI program, the Committee recognizes that foreign

participation in SDI can be beneficial under certain limited circumstances, such as where a foreign firm possesses unique technological skills. However, the Committee is concerned about recent reports that some of our allies may be seeking a guaranteed share of SDI funding. The Committee is strongly opposed to any such guarantee under whatever guise and commends administration efforts to date to resist pressures in this direction. The Committee believes that, particularly in light of recent recordbreaking trade deficits, SDI contracts should be awarded to American firms wherever possible so as to minimize the negative impact on the U.S. defense industrial and scientific base, unless such awards would significantly degrade the likely results obtained from such contracts.

AVIATION RESEARCH AND DEVELOPMENT

The Committee encourages the Air Force to give special consideration to a $5,000,000 project specifically related to defense activities in basic and applied aviation research, aviation safety research, productivity enhancement, management for human resource development, and aviation education and training. The Air Force should utilize university research resources such as the proposed Institute for Aviation Research and Development at Wichita State University in Wichita, KS.

EMERGENCY FLOOD RELIEF

The Committee concurs with the provision of the House joint resolution authorizing the Secretary of the Army to use Reserve Forces for emergency flood recovery and cleanup measures in certain counties of West Virginia, Pennsylvania, Virginia, and gulf coast areas which suffered recent flood disasters.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF FUND

During the Senate floor debate on the conference report on the fiscal year 1986 HUD-Independent Agencies Appropriations Act (Public Law 99–160), it was noted that the $100,000,000 provided by that measure, together with amounts carried over from previous fiscal years, may not be adequate to fully cover all new obligations of the Federal disaster relief fund of the Federal Emergency Management Agency for fiscal year 1986.

It remains the Committee's intent to provide the necessary funding during the current fiscal year for all disaster relief requirements in States such as West Virginia, and other localities designated as national disasters. At the end of November 1985, however, only $25,000,000 of the estimated $386,000,000 available for this purpose had been obligated. Current estimates of obligational authority required indicate that available balances will be adequate at least until spring.

The Committee will closely monitor the obligation of Federal disaster relief funding, including recoveries from prior year overpayments, during the next few months so that should supplemental appropriations be necessary, such sums can be acted upon by the Congress on a timely basis.

EPA CONSTRUCTION GRANTS

The Congress deferred action on funding the Environmental Protection Agency Wastewater Treatment Construction Grants Program in the regular fiscal year 1986 HUD-Independent Agencies Appropriations Act, pending enactment for the authorization extention of the Federal Water Pollution Control Act. Since final congressional action on the appropriations measure, little progress has been made on the authorization bill currently awaiting conference committee consideration.

It is the Committee's understanding that unless further budgetary authority is provided at this time, serious programmatic disruptions may occur. To prevent such untoward impacts of continued congressional delay, the Committee recommends a new provision appropriating the full $2,400,000,000 anticipated to be required in this fiscal year with a provision that $600,000,000 of this amount may be made immediately available. The balance of this sum will be withheld from obligation until release through a subsequent appropriation act. This initial sum will permit unimpaired progress on municipal wastewater treatment facility development in all States at least through April 1, 1986.

The recommended section provides that the initial fiscal year 1986 funds will be allocated among the States in accordance with the formula in effect for fiscal year 1985. It is not the Committee's intent, however, to in any way prejudice the outcome of further congressional deliberations as to the final distribution of overall construction grant funds for fiscal year 1986. Such a determination must be addressed and resolved in further action on the authorization measure currently awaiting conference action.

It is the Committee's expectation that the authorizing legislation of the EPA Construction Grants Program will be completed on a timely basis to permit early action on the full availability of the $2,400,000,000 appropriated in this measure.

SUPERFUND

The Committee continues to be concerned that Superfund has not been reauthorized and that a new tax to support Superfund has not been enacted. It believes that the Agency must have the funds necessary to maintain the integrity of the program during the period between the enactment of the HUD appropriations bill and the enactment of the new legislation.

The Committee urges the Agency to take every precaution to insure that sufficient administrative funds are available. It also directs the Agency to advise the Committee at the earliest possible time if it becomes aware that insufficient funding will impair the administrative functions of the Superfund Program.

VA ADMINISTRATIVE EXPENSES

The Committee is concerned that the level of funding for general operating expenses of the Veterans Administration in the recently enacted HUD-Independent Agencies Appropriations Act for fiscal year 1986 (Public Law 99–160) may require significant reduction in the administration of claims by the Department of Veterans Benefits. Unfortunately, the VA has failed to identify specific program impacts of the level of funding in the administrative account. Furthermore, the agency has not settled on a clear position with respect to the estimated cost of maintaining existing levels of medical care activities.

The Committee remains committed to providing for an adequate level in veterans benefit administration to assure efficient and timely processing of claims. It is equally the Committee's desire to provide sufficient resources under the "Medical care" account to maintain direct patient care activities. Without definitive estimates of these requirements, however, the Committee has no alternative but to provide limited transfer authority, to be exercised by the Administrator of Veterans Affairs upon justification and approval of the Committees on Appropriations of the House and Senate.

This transfer authority, section 122 in the recommended joint resolution, will permit up to $8,000,000 to be transferred from Medical Care to General Operating Expenses, should all or a part of this sum be necessary to maintain overall VA program balance and priorities.

EMERGENCY VETERANS' JOB TRAINING

The Committee recommends a new section appropriating $55,000,000 to the Veterans Administration for the payments to employers under the Emergency Veterans' Job Training Act of 1983. Both the House and the Senate have passed legislation authorizing appropriations to be provided to continue this program. The amount provided in this joint resolution will become available upon enactment of that legislation.

INTERIOR AND RELATED AGENCIES

WESTLANDS WATER DISTRICT

The Committee recommends striking the House provision which would prevent the Secretary of the Interior from entering into any agreement with respect to a pending court case regarding the Westlands Water District in the State of California and inserting new language which prohibits the expenditure of funds by the Secretary of the Interior to implement any court approved or ordered settlement agreement in the case of *Westlands Water District* v. *the United States*, et al, for a period of 120 days after receipt by Congress of the proposed settlement. The Committee is aware that the issues raised by this lawsuit are complex and controversial. Any settlement thereof is likely to be equally complex and controversial. The Committee believes that the Secretary and the parties should be given the latitude to negotiate and propose a final settlement of this matter. It is also appropriate that the

court have the opportunity to approve, disapprove or modify the terms of any settlement proposed by the litigants. Since the Committee is unaware of the terms of any such final settlement at this time, it does not have an opinion of the appropriateness of any agreement in this matter. However, because the Committee is concerned that the intent of Congress as expressed in applicable law, including the Reclamation Reform Act of 1982, should be followed, the provision for a 120-day calendar review of the final settlement, if any, is mandated by this section. The Committee believes that this is a responsible approach which adequately preserves the prerogatives of the Congress to express itself in the future on this matter if necessary, while allowing the executive and judicial branches of the Government to exercise their responsibilities without unnecessary intervention.

FREER GALLERY OF ART

The Committee recommends striking the House provision which would provide $2,500,000 for the first phase of construction of an expansion of the Freer Gallery of Art. As the authorizing committee has not completed action on this project, the Committee recommends delaying further consideration of this matter until next year.

HOLOCAUST MEMORIAL COUNCIL

The Committee recommends modifying the House provision which would allow persons other than members of the U.S. Holocaust Memorial Council to serve as members of committees associated with the Council by stating that there shall be no additional cost to the Federal Government as a result of such service.

U.S. FISH AND WILDLIFE SERVICE

The Committee recommends a new section 126 making ineffective language included in the Senate-reported Interior appropriation bill relating to funds advanced to or spent by the U.S. Fish and Wildlife Service for costs of the Fish and Wildlife Foundation.

NATIONAL PARK SERVICE

The Committee has included a new section 127 replacing bill language included in H.R. 3011 as reported by the Senate Committee on Appropriations with new language. The new language provides for construction of approximately 12 paved miles and maintenance of the Burr Trail National Rural Scenic Road and related facilities, and reflects the recently negotiated agreement with the Director of the National Park Service. The Committee anticipates no future new construction requirements relating to this project.

The Committee recommends a new section 128 authorizing the Wolf Trap Foundation to increase the amount it can borrow from $8,000,000 to $9,500,000, to cover unanticipated beam repair costs and other unanticipated Filene Center reconstruction costs.

U.S. GEOLOGICAL SURVEY

The Committee recommends a new section 129 adding language to the Senate-reported Interior appropriation bill establishing a separate fund within the Treasury for the deposit of telecommunications user fees available to the U.S. Geological Survey.

OFFICE OF SURFACE MINING

The Committee has recommended a new section 130 deleting two provisos included in the Senate-reported Interior appropriation bill relating to the Office of Surface Mining. While the Committee agrees with the intent of the language, the Committee feels that it is too restrictive and hopes that it can be modifed during the conference.

BUREAU OF INDIAN AFFAIRS

The Committee recommends a new section 131 revising the language included in the Senate-reported Interior appropriation bill relating to contracts for Johnson-O'Malley funds available to the Bureau of Indian Affairs so as to require that such funds be used solely for educational programs. The new language will also maintain the current formula distribution of the funds.

The Committee recommends a new section 132 adding a provision to the Senate-reported Interior appropriation bill directing the Secretary of the Interior to transfer certain supplies and equipment to the St. Labre Indian School of Ashland, MT.

WILLOW CREEK

The Committee recommends a new section 133 adding language to the Office of the Secretary account in the Senate-reported Interior appropriation bill to provide for compensation to certain water users of Willow Creek, ID.

GENERAL PROVISION

The Committee has included bill language in section 134 providing the Secretary with the same capability within the units of the National Park System to deal with emergency flood damages as he currently has with respect to earthquakes and volcanoes. This will enable the Secretary to take such emergency rehabilitation measures as are deemed necessary in such National Park units as the C&O Canal and Harpers Ferry NHP, and to later request replenishment via the supplemental appropriations process.

NATIONAL FOREST SYSTEM

The Committee recommends a new section 135 merging reforestation trust funds with funds available under the "National Forest System" account rather than transferring such funds to the general fund of the Treasury, as proposed in the Senate-reported Interior appropriation bill.

The Committee also recommends a new section 136 clarifying the source of funds for administering timber salvage sales.

The Committee has included a new section 137 providing $1,500,000 within available facility construction funds to be available for emergency flood repairs in the Monongahela National Forest and at the Parsons, WV, Forest Research Laboratory.

SYNTHETIC FUELS CORPORATION RESCISSION

The Committee recommends a new section 138 proposing a rescission of $3,000,000,000 of funds available under the energy security reserve. The Committee understands the need to provide for long-term energy security of the United States. The Committee also understands, however, the need to exercise fiscal restraint on all Federal programs. Therefore, the Committee has agreed to restructure the U.S. Synthetic Fuels Corporation by:

—Further rescinding $3,000,000,000 of the Synthetic Fuels Corporation's obligational authority. This will leave SFC with approximately $3,615,000,000 to complete implementation of its restructured business plan (for a total program of approximately $5,900,000,000, which includes those awards that already have been made);

—Directing the SFC to complete implementation of its business plan by a date certain (September 30, 1986), after which the SFC will enter its contract monitoring phase, with a significant reduction in staff;

—Restricting the SFC's negotiations to the present list of pending proposals, which, in response to SFC solicitations, were submitted prior to October 1, 1985;

—Accelerating the SFC's termination date to as early as 1989, but in no event later than 1992, or 5 years earlier than current law; and

—Requiring the SFC to submit to the Congress by September 1986, a report reviewing actions taken to implement its business plan and by July 1, 1989, a report fulfilling the same statutory requirements placed on the comprehensive strategy submitted to the Congress this year.

STRATEGIC PETROLEUM RESERVE

The Committee recommends a new section 139 adding language to the Senate-reported Interior appropriation bill providing for the barter of surplus agricultural products for petroleum to be delivered to the strategic petroleum reserve, providing for a rescission of $160,000,000 available for the purchase of oil. Barter of commodities shall be utilized, on a barrel-per-barrel basis, to fulfill the requirements of subsection 160(d)(1) of the Energy Policy and Conservation Act (Public Law 94–163, as amended).

SMITHSONIAN INSTITUTION

The Committee recommends a new section 140 adding language to the Senate-reported Interior appropriation bill allowing the use of funds available to the Smithsonian Institution to be used to support American overseas research centers.

MINERAL LANDS LEASING ACT

The Committee has included as a new section 141 bill language which delays the effective date of the provisions of section 2(a)(2)(A) of the Mineral Lands Leasing Act by almost 5 months. Under those provisions, coal companies are required to have begun coal production activities on certain federally leased tracts by August 4, 1986, in order to be eligible to receive any new lease for any mineral under the Mineral Leasing Act. Primarily because of exceptionally poor coal markets, many companies have been unable to meet this provision of law. The authorizing committees of Congress are now addressing legislation to remedy this situation. The Committee's language merely provides an additional period of nearly 5 months so that Congress is assured of adequate time to complete action prior to adjournment of the second session of the 99th Congress.

OUTER CONTINENTAL SHELF LEASING

The Committee concurs with the House language in section 165 on the need to have continuing negotiations on the oil and gas development of the California Outer Continental Shelf, and seeks to have the appropriate range of advice provided by the Congress to the Secretary as he strives to seek consensus through negotiation. While the Committee does not expect that the negotiating process will attempt to impose binding conditions on either the Secretary or the Congress, the ongoing negotiation process must continue so that this longstanding dispute can be resolved in a positive manner.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

DISADVANTAGED ASSISTANCE

The Committee has included $500,000 to bring the program of educational assistance to individuals from disadvantaged backgrounds who are pursuing careers in the health professions to its fully authorized amount. The Committee is aware of the truly pressing health care needs of our Nation's minorities. In utilizing these funds the Committee urges the Department of Health and Human Services to give priority to proposals which would ensure that minority graduates will serve those who are truly underserved; for example, on Indian reservations, areas

with geographical concentrations of native Hawaiians, or in the inner-city.

HEALTH PLANNING

It is the intent of the Committee that funds appropriated for health planning activities for fiscal year 1986 be used to allow all agencies to operate at their full program level until September 30, 1986. This action is taken to ensure that all planning agencies can maintain normal operations during fiscal year 1986 while Congress completes consideration of health planning reauthorization. Therefore, the Committee would bar the initiation of action to close State or local agencies at the end of fiscal 1986, provided that the health planning reauthorization is enacted by July 1, 1986. If supplemental funds are needed at that time to pay the cost of closeout activities, the Department should request such funds. In addition, as provided for in the last several continuing resolutions, the Department is precluded from terminating health systems agencies for not meeting outdated, strict staffing level requirements that many agencies could not attain due to reduced funding.

HEALTH EDUCATION ASSISTANCE LOANS

In 1985, the Office of Management and Budget initiated a procedure of apportioning annual amounts authorized for the Health Education Assistance Loan [HEAL] Guarantee Program. The Committee considers this procedure to be an unnecessary interference with program implementation. Congress intends that the full amount of principal and carryover to be guaranteed be available the entire year to both first-time and repeat borrowers.

HEALTH CARE FINANCING ADMINISTRATION

DEMONSTRATION PROJECTS

The Committee has adopted bill language to require the Secretary of Health and Human Services to extend for 3 additional years the four municipal health services demonstration projects now authorized under Medicare's demonstration authority. This provision is also included in the House and Senate versions of the Consolidated Omnibus Budget Reconciliation Act of 1985.

OFFICE OF HUMAN DEVELOPMENT SERVICES

CHILD CARE AND CHILD ABUSE PREVENTION TRAINING

The Committee has included $25,000,000 for the continuation of a program to improve child care training and, specifically, child abuse prevention training. This effort began last year. Section 401 of the continuing resolution for fiscal year 1985 (Public Law 98–473) allocated $25,000,000 to the States for child care and child abuse prevention training. The Committee recognizes that the problem of child abuse and inadequate training of child care providers continues to be an extremely

serious one. This allocation of funds will allow the States to target training programs to those individuals who care for the youngest and most vulnerable of our children. These individuals frequently have little or no formal training in the field of child care, and because of their extremely low salary levels, cannot afford to pay for such training themselves.

Bill language is also included which follows up on a provision incorporated into last year's continuing resolution pertaining to child care standards. In order to provide guidance and assistance to the States in utilizing funds allocated pursuant to title XX of the Social Security Act, section 401 of Public Law 98–473 required the Secretary of Health and Human Services to draft and distribute to the States for their consideration, a Model Child Care Standards Act containing minimum licensing or registration standards for day care centers, group homes, and family day care homes. That document was published by the Department of Health and Human Services in January 1985. In this resolution, recommended bill language provides that a State's allotment of the $25,000,000 in additional title XX funds will not be made unless the State has certified to the Secretary of Health and Human Services that it has completed a process, or has instituted or plans to institute a process which it will complete within 6 months, to review its child-care licensing or registration and monitoring standards. States are expected to take into consideration the information and material contained in the Department of Health and Human Services' Model Child Care Standards Act, in order to identify and correct deficiencies in such licensing or registration and monitoring standards in terms of protecting the welfare of children in child-care settings. The Secretary of Health and Human Services is expected to report to the Committee on the certifications made pursuant to this provision before the fiscal 1987 Labor-HHS-Education Appropriations Subcommittee hearings on human development activities.

RURAL DEVELOPMENT LOAN FUND

The Committee is aware that for almost 18 months rural development loan fund intermediaries and officials from the Department of Health and Human Services have been negotiating a modification of the rural development loan fund [RDLF] interest rate structure. While a tentative agreement has been reached, final approval has been delayed. In the meantime, effective October 1, 1985, interest rates on many RDLF loans jumped to almost 10 percent. This increase will mean double-digit interest rates to RDLF borrowers, a situation incompatible with the intent of the RDLF Program.

Therefore, the Committee instructs the Department to complete negotiations with the intermediaries expeditiously. Until these negotiations are completed, the Committee directs the RDLF interest rates be maintained at the rate in effect prior to October 1, 1985.

DEPARTMENT OF EDUCATION

SECRETARY'S DISCRETIONARY FUND

PROGRAMS OF NATIONAL SIGNIFICANCE

The Secretary of Education's Discretionary Fund for Programs of National Significance provides important support for nationwide science and mathematics education projects. Providing for payment when funds are appropriated will allow continuation of ongoing projects in a timely and orderly manner, and is consistent with the previous administration of these funds and with other discretionary funds under the jurisdiction of the Secretary. Thus, the Committee has included bill language to ensure that these funds are immediately available for obligation.

LEGISLATIVE BRANCH

U.S. CAPITOL POLICE

The Committee concurs with the provision of the House joint resolution pertaining to the treatment of the individual holding the position of Chief of the U.S. Capitol Police as of January 1, 1985, under the provisions of subchapter III of chapter 83 of title 5, United States Code, title II of the Social Security Act, chapter 21 of the Internal Revenue Code of 1954, and title II of Public Law 98–168.

The Committee also recommends a provision ensuring that costs associated with the basic training of personnel of the U.S. Capitol Police at the Federal Law Enforcement Training Center at Glynco, GA, will continue to be borne by the Treasury Department.

BIOMEDICAL ETHICS BOARD

The Committee recommends a provision providing $1,000,000 for the establishment and operation of the Biomedical Ethics Board and the Biomedical Ethics Advisory Committee pursuant to section 381 of the Public Health Service Act.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

The Committee recommends a provision, section 151, to deem the Commission on Security and Cooperation in Europe a standing committee of Congress solely for the purpose of securing the printing and binding services of the Government Printing Office.

QUADRENNIAL PAY COMMISSION

The Committee recommends an amendment to the Federal Salary Act of 1967 which changes the statutory requirements for the Quadrennial Pay Commission. The Quadrennial Pay Commission meets every 4 years and decides salary recommendations for the Congress, high level officials in the executive branch, and the judiciary. The Commission has just completed its work this year and has issued a report that does not recommend any salary changes at this time. Rather, the

report recommends a change in the process by which salary recommendations may be approved.

Current law requires that for the Commission's recommendations to be effective, the President must first present them to Congress for approval. The Department of Justice has determined that this process is constitutionally defective as a result of the *Chadha* decision. The recommended provision will resolve this constitutional defect by establishing a new procedure as recommended by the Commission to meet the requirements of the *Chadha* decision.

Essentially, the Commission will make its decision known to the President. The President will transmit either those recommendations or some alteration of those to the Congress. They will become effective 30 days after their transmission to Congress unless the Congress jointly disapproves of the recommendations.

The next Commission is scheduled to meet at the end of next year and must report to the President by December 15, 1986. The President must transmit the recommendations to Congress with the budget. The Congress will have 30 days to pass a joint resolution disapproving those recommendations.

The provision does not alter any existing salary levels or honorarium limitations for either the legislative, executive, or judicial branches.

Transportation and Related Agencies

PRIVATE SECTOR TRANSIT SERVICES

The House report prohibits the use of Urban Mass Transportation Administration [UMTA] funds to regulate or prescribe in any manner the level of private sector services or involvement of any transit property. The Committee agrees that the extent of private sector involvement in the provision of public transit is best decided at the local level. The Committee, however, does not agree with the House's limitation on UMTA and its efforts to encourage greater private participation in the provision of such service, and to involve the private sector in offsetting the costs of public transit. The Committee expects that explicit policy on privatization in the transit industry should be explored by Congress and decided only after the opportunity for public comment.

METRORAIL, DADE COUNTY, FL

The Committee deletes a section of the House bill which directs the Secretary of Transportation to prepare an environmental impact statement for the north and south legs of the Dade County, FL, metrorail.

STATE ROUTE 113, CALIFORNIA

The Committee deletes a section of the House bill which appropriates $23,500,000 for an expressway gap closing demonstration project on California State Route 113 in northcentral California.

DOWNTOWN PEOPLE MOVER, DETROIT

The House joint resolution prohibits the use of funds to construct the central automated transit system in Detroit, MI, except for funds available through apportionment to the Detroit Department of Transportation. The Committee deletes this langauge.

EMERGENCY RELIEF HIGHWAY FUNDS

The Committee proposes a provision which increases the per-State limitation for receipt of Federal-aid highway emergency relief funds from $30,000,000 to $55,000,000. This increase applies only to grants associated with disasters which occurred in calendar year 1985.

MINIMUM DRINKING AGE

The Committee proposes a legislative provision regarding the Uniform Minimum Drinking Age Act (Public Law 98–363). Under Public Law 98–363, States which fail to adopt 21 years of age as their minimum drinking age by October 1, 1986, stand to have 5 percent of Federal highway assistance withheld from them. Another 10 percent will be withheld in fiscal year 1988 if no action is taken. Once States comply with Federal law, funds withheld are reimbursed.

In order that States not sunset their minimum drinking age laws when Federal withholding of highway funds ends, the withholding provisions in Public Law 98–363 are made permanent. Reimbursement of withheld funds will continue for fiscal years 1987 and 1988 if States come into compliance with Federal law during that period. Funds withheld after fiscal year 1988 will not be reimbursed under this provision. States will be allowed to grandfather in those legally entitled to drink on the date of enactment of their complying statute provided such laws are passed by the States by October 1, 1986, or the earliest possible date that State legislatures meet in legislative session. Finally, in the interest of insuring as secure a flow of funds to the States as possible, funds that have been withheld from the States would be returned and usable for the original period of availability.

The Committee stresses the importance of adopting this amendment to existing law this year, so that States meeting to consider minimum drinking age legislation in 1986 will have a clear understanding of congressional intent.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT

The President vetoed the Fiscal Year 1986 Treasury, Postal Service, and General Government Appropriations Act (H.R. 3036). Time restraints do not allow the Committee to seek passage of a new bill. It has, therefore, been incorporated in this resolution.

The House included by reference the conference report for H.R. 3036, as passed, with one change. The change strikes a prohibition on issuance of certain personnel regulations by the Office of Personnel Management. Since the passage of the conference report, the matter

prohibited has been resolved. The Committee concurs with the proposal to delete this provision (amendment 83 in the conference report).

The Committee is concerned, however, that steps must be made to address the spending targets stressed in the President's veto message, but not addressed in the House version of the resolution. In the veto message (H. Doc. 99–130) the President cited the fact that the bill exceeded budgetary goals by $180,000,000. He specifically cited the funding level for the revenue forgone subsidy.

In order to move toward those funding goals cited by the President, the Committee proposes that the conference report cited in this resolution be incorporated as proposed by the House with additional provisions reducing the conference report by $162,101,000. These reductions will be made as follows:

From revenue forgone subsidy	−$72,000,000
From IRS processing of tax returns	−83,650,000
From IRS investigations and collections	−6,451,000
Total	−162,101,000

In making these reductions, the Committee notes that the revenue forgone reduction meets the reconciliation target. It must be stressed that unless changes in current law are enacted, the organizations intended to receive assistance will be severely impacted by sharply increased postal rates.

The Committee is concerned that its proposals may have adverse impact during fiscal year 1986. This Committee, as well as several others, has spent considerable time and effort in looking at the problems which faced the Internal Revenue Service during the 1984 tax filing season. All quarters have concluded that effort must be made to insure that problems encountered during that time not be repeated.

As the conferees met on H.R. 3036, it was determined that the amount proposed by the President and the Senate-passed version of the bill would not meet those needs. The conferees, therefore, agreed to accept a funding level that exceeded the President's proposed budget by $76,000,000. In order to address the concerns of the President's veto message, however, the Committee is proposing reductions in appropriations for the IRS.

The Committee wishes to stress that these reductions are not necessarily in the best interests of the Nation. However, because the IRS composes well over 50 percent of the discretionary funding in the Treasury bill and all the other nonlaw enforcement accounts have been required to take reductions, the IRS accounts must be reduced in order to meet the President's goals. It should further be noted that these reductions could be the cause of confusion during the coming tax filing season and most certainly will reduce the ability of the Service in its effort to reduce the tax gap.

The Committee is also concerned that the President's veto message cited, as objectionable and unconstitutional, section 606. This section has been contained in every Treasury appropriations bill for over 15 years, and was included in the President's fiscal year 1986 budget re-

quest (Budget Appendix I–C11). The Committee found the objection very surprising since the section was included in the bill at the request of the administration.

CHILD CARE SERVICES IN FEDERAL BUILDINGS

The Committee has concurred with changes made by the House to the conference report on H.R. 3036 with regard to Federal employee child care. The new language mandates a 50-percent floor of Federal employees using the service, rather than the 95 percent originally stated and requires that Federal employees be given first priority. This action will make the service available at more locations throughout the country.

FLEXIBLE WORK SCHEDULE

The Committee has concurred with the House in including language making flexible work hours for Federal workers permanent.

UNDER SECRETARY OF TREASURY

Current law provides that the Department of the Treasury have an Under Secretary and an Under Secretary for Monetary Affairs appointed by the President with the advice and consent of the Senate (31 U.S.C. 301(d)). The Committee proposes that the Department have two Under Secretaries without further designation of specific functional responsibilities. The nonspecific designation of the Under Secretaries would parallel 31 United States Code 301(e), as amended, which provides that the Department have seven assistant secretaries.

The proposal will provide the Secretary with flexibility to structure the duties and powers of principal assistants without artificial limitation. The nonspecific designation of the Under Secretaries is consistent with the provision in section 301(d) that the Under Secretaries shall carry out duties and powers prescribed by the Secretary.

U.S. POSTAL SERVICE

REVENUE FORGONE SUBSIDY

The Committee notes that incorporated in the conference report on the Treasury-Postal Service appropriations bill, that is referenced in this joint resolution; amendment 97, relates to this postal subsidy and restricts postage rate increases for nonprofit and other mailers until January 1, 1986, when rates will rise to step 16.

The Committee also notes that section 617 of amendment 97 directs the Postal Service to request a supplemental appropration to make up any shortfall that may occur as a result of keeping rates at current levels through the end of 1985 and raising the rates to step 16 on January 1.

The Committee further clarifies that although the funding level for revenue forgone contained in the conference report on the Treasury-Postal Service appropriations bill is $820,000,000 and this continuing resolution contains only $748,000,000, the directions to the Postal Service contained in amendment 97 still apply.

If the Postal Service is unable to maintain step 16 rates for fiscal year 1986, a supplemental request will be considered by the Committee to avoid placing the burden of that shortfall on any mailers.

BOARD OF GOVERNORS MEETINGS

The Committee has included language which will increase compensable days for members of the Board of Governors from 30 to 42 per year. Presently, the members of the Board of Governors are paid $12,000 a year plus expenses and $300 a day for not more than 30 meetings a year. The Board of Governors meets for 2 days each month (total 24) to go over general postal policy but they also have numerous committees that meet quite often to go into greater detail on various aspects of the operation of the U.S. Postal Service. By law, however, they can only be paid for the number of authorized meeting days left, six. In order for the governors to complete their work, a change of this nature is necessary.

U.S. CUSTOMS SERVICE

REIMBURSABLE PORTS OF ENTRY

The Committee has included language to create additional ports of entry to be funded on a reimbursable basis. Congress created a pilot project for user fee airport customs facilities last year. The project has proven successful and this language expands the limitation from 4 to 20 airports.

Many smaller communities are highly dependent on foreign trade, but have limited access to customs facilities under current policy. Many northern States continue to expand trade relationships with Canada, and trade opportunities would be increased if the pilot project was expanded. The facilities are supported by user fees at no additional cost to the Federal Government. All such applications for the service must continue to meet specific requirements before the Customs Service could grant new facilities.

SECRET SERVICE PROTECTION

The Secret Service maintains security for a number of residences not located on Federal property. The Presidential Protection Assistance Act of 1976 requires the Service to maintain a permanent guard detail and permanent facilities, equipment, and service to secure any nongovernmental property in addition to the one nongovernmental property designated by each protectee.

Current law caps the cumulative total of these types of expenditures at $10,000. Because of the cap, the Secret Service must provide temporary security when the property is in use and then remove all equipment when it is not. Constant installation and removal of these security measures is costing much more than permanent installation of security equipment would. To correct this problem, the Committee has included language raising the limitation to $75,000.

WHITE HOUSE SECURITY

The Committee has included language which will further secure the grounds of the White House complex by restricting the construction of buildings with line of sight access to 95 feet in height.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SPECIAL OCCUPATIONAL TAX COMPLIANCE

The Committee is deeply concerned over the low level of compliance with the Federal special occupational tax provisions under existing law. Estimates by the President's private sector survey on cost control (the Grace Commission) indicate that nearly 60 percent of the Nation's liquor retailers fail to pay the Federal special occupational tax, with a loss of revenue to the Treasury of up to $25,000,000. The Committee understands that legislation is being drafted within the Treasury Department to address this serious tax compliance problem.

The Committee strongly believes that any legislative proposal must leave responsibility for determination, enforcement, and collection of tax liabilities with the Department of the Treasury, and not the private sector. The Committee's strong support of private sector initiatives in a number of governmental areas is tempered by a strong, unequivocal concern that Treasury's enforcement of our alcohol tax laws not be abdicated in administration efforts to reduce the cost of tax compliance. Furthermore, the Committee does not believe that any legislative proposal for improving retailers tax compliance in this regard should place the burden upon the liquor wholesale community to police its important retail customers and clients.

In this connection, it is important to note that the erosion of compliance in this area parallels to a striking degree the reduction of administration support for the compliance operations functions of the Bureau of Alcohol, Tobacco and Firearms, which enforce Federal alcohol laws. Across the entire range of its statutory responsibilities, ATF's compliance arm has suffered staffing and resource reductions of a magnitude which belie the critical importance of its functioning at optimum efficiency.

In alcohol and tobacco excise tax collection, in firearms and explosives compliance, in financial investigations or arson-for-profit rings and in other areas, ATF inspectors have proven time and again their great worth and the worth of their mission.

Therefore, the Committee directs the Department of the Treasury to closely review staffing and funding for the Bureau of Alcohol, Tobacco and Firearms' Office of Compliance Operations with a view to development of a plan to raise its staffing to more realistic levels.

GENERAL SERVICES ADMINISTRATION

CONSTRUCTION OF PUBLIC BUILDINGS

The conference report accompanying H.R. 3036 includes a provision with regard to the ability of the General Services Administration to contract for buildings under a 30-year lease-purchase agreement.

The Committee wishes to clarify the intent of this language. The language is intended to provide the GSA with alternative means for meeting Federal building needs. In doing this it is the intention of the Committee that current review practices utilized by the authorizing and appropriating committees be continued. The Committee stresses that this action is intended solely to provide alternative financing mechanisms to the GSA and not intended to circumvent current congressional approval processes.

OAKLAND FEDERAL BUILDING

Language was included in the statement of managers accompanying the conference report (H. Rept. 99–349) on H.R. 3036 with regard to the construction of a Federal building in Oakland, CA. The Committee wishes to clarify its comments made in the original report (S. Rept. 99–133). Additional information has been received by the Committee which indicates that the facility is viable only if Federal workers now housed both in San Francisco and Oakland are relocated. An Oakland location is certainly the lowest-cost alternative; in addition, the city of Oakland has cooperated fully with the GSA by the donation of sites and other developmental requirements.

Locating the facility in Oakland also furthers the Committee's aims to improve the utilization of space through space management reform and an efficient and economical locational policy.

INTERNATIONAL TRADE ADMINISTRATION, BOSTON DISTRICT OFFICE

The Committee has included language in the resolution directing the General Services Administration to report to the Committee by February 1, 1986, as to steps taken to relocate the International Trade Administration, Boston District Office, into the new World Trade Center in Boston.

OFFICE OF MANAGEMENT AND BUDGET

HEALTH EFFECTS OF DIOXIN

The Committee is most concerned about a recent action by the Office of Management and Budget blocking further gathering of statistics on the Morbidity Study of Persistent Health Effects in Chemical Herbicide Workers and Community Residents being conducted by the National Institute of Occupational Safety and Health [NIOSH]. The Committee believes that the study should go forward without further interference from OMB.

The Committee believes that it is important for policymakers to have accurate information about the health effects of dioxin on chemical workers and community residents. Large expenditures have already been made to compensate citizens who live near dioxin-contaminated sites and to clean these sites and more may have to be spent. Nevertheless, definitive data on the effects of dioxin on workers and other citizens has not been collected. The studies that have been done do not correlate accurate exposure data with health status of the affected individuals. NIOSH has been working on a study design to overcome these shortcomings.

OFFICE OF PERSONNEL MANAGEMENT

EXTENSION OF INTERIM RETIREMENT

The Committee has included language extending the time period for the interim retirement program until April 30, 1986.

The new retirement plan is now in conference, but the expectation is that work will not be completed until early next year. The interim arrangement expires on December 31, 1985. Without some relief all Members of Congress and all Federal employees hired after December 31, 1983, will be required to pay 14 percent of pay beginning January 1, 1986.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI OF THE STANDING RULES OF THE SENATE

Paragraph 7 of Rule XVI requires that Committee reports on general appropriations bills identify each Committee amendment to the House bill "which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session."

The following items are identified pursuant to this requirement.

Within the jurisdiction of the Agriculture, Rural Development, and Related Agencies Subcommittee, the Committee recommends appropriations for the following:

—State administrative expenses for feeding programs;
—Commodity assistance to feeding programs, camps, institutions, Indian tribes, and disaster areas:
—Special Supplemental Food Program for Women, Infants, and Children [WIC];
—Summer Food Service Program;
—Nutrition Information and Education Program;
—Food Stamp Program;
—Overseas Export Promotion Program;
—Public Law 480 export financing;
—Rural housing grants and loans;
—Agriculture research and extension projects and facilities;
—Higher education; and

—Improved coordination and planning of agriculture research and extension activities, including the use of advisory boards.

The Committee also recommends that funds in the following accounts remain available until expended: Diary Indemnity Program; Rural Housing for Domestic Farm Labor; Agricultural Research Service, Buildings and Facilities; and Scientific Activities Overseas (Foreign Currency Program).

Within the jurisdiction of the Commerce, Justice, State, the Judiciary and Related Agencies Subcommittee, appropriations for the following are recommended:

—Portions of the International Trade Administration;
—The Economic Development Administration;
—The Minority Business Development Agency;
—The U.S. Travel and Tourism Administration;
—Portions of the National Oceanic and Atmospheric Administration;
—The Commission on the Bicentennial of the Constitution;
—The Securities and Exchange Commission;
—All the items in the Department of Justice, with the exception of justice assistance;
—The Commission on the Ukraine Famine; and
—The Legal Services Corporation.

Under the jurisdiction of the the District of Columbia Subcommittee, the Committee recomends appropriations for the following:

—The criminal justice initiative;
—A job training initiative; and
—The D.C. Court System study.

Under the jurisdiction of the Department of Defense Subcommittee, the Committee recommends appropriations for the following:

—Operation and maintenanace, Army Reserve;
—Operation and maintenance, Air Force Reserve;
—Operation and maintenance, Army National Guard;
—Procurement of ammunition, Army;
—MCM mine countermeasures ship program;
—ARTB nuclear reactor training ship conversion program;
—Other procurement, Navy;
—Coastal defense augmentation;
—Air Force One mission replacement aircraft;
—Air defense aircraft competition;
—Other procurement, Air Force;
—National Guard and Reserve equipment;
—Mariner fund;
—Research, development, test, and evaluation, Air Force;
—Research, development, test, and evaluation, Defense Agencies;
—Director, test and evaluation, Defense;
—ADP management fund; and
—Counter-terrorism contingency fund.

Under the jurisdiction of the Foreign Assistance and Related Agencies Subcommittee, the Committee recommends appropriations for the following:

—African Development Fund;
—International Finance Corporation; and
—The Guarantee Reserve Fund.

Within the jurisdiction of the Interior and Related Agencies Subcommittee, the Committee recommends appropriations for the following:

—Boulder-Bullfrog Scenic Road;
—Liquidation of contract authority for construction of Cumberland Gap Tunnel;
—Land acquisition in the operation of Indians account;
—Compensation for certain water users;
—Acquisition of interest in lands under the Forest Service; and
—An endowment for the Woodrow Wilson International Center for Scholars.

Within the jurisdiction of the Department of Labor, Health and Human Services, and Education, and Related Agencies Subcommittee, the Committee recommends the following:

—Trade Act administrative expenses; and
—Child care training.

Within the jurisdiction of the Transportation and Related Agencies Subcommittee, the Committee recommends appropriations for certain activities of the:

—Federal Railroad Administration;
—Federal Highway Administration;
—National Highway Traffic Safety Administration;
—Panama Canal Commission; and
—U.S. Railway Association.

In addition, certain limitations are contained as amendments to House provisions stipulating Coast Guard military strength, and associated appropriations for military compensation and benefits. An amendment is also included which establishes a requirement that $328,000,000 be available for drug enforcement activities. Other amendments limiting vehicles, representation expenses, and establishing fund availability are included.

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of Rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute, include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

With respect to this bill, it is the opinion of the Committee that it is necessary to dispense with these requirements in order to expedite the business of the Senate.

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